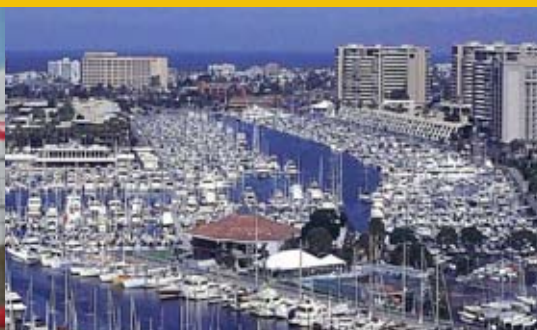


Generating Revenue by Expanding the City's Marketing Partnerships



Office of Councilmember Carl DeMaio



Executive Summary

The City of San Diego currently faces an ongoing and severe budget crisis. In recent years, municipal marketing and corporate partnerships have become of increasing interest for municipal leaders across the country as a means to provide an alternative funding source to raising taxes and fees. In general, municipal marketing can be categorized into four types: sponsorship, naming rights, advertising and signage, and exclusive rights.

This report offers a review of municipal marketing efforts in the City of San Diego and opportunities where current efforts could be expanded to generate additional revenue. Specifically, the report includes discussion of the City of San Diego's current marketing partnership policy and associated Corporate Partnership Program, examples of successful municipal marketing programs in other municipalities, and potential ramifications of expanding the scope of the City of San Diego's current efforts.

The City of San Diego's Corporate Partnership Program was established in 1999, and over the past decade has produced in excess of \$16 million in cash and in-kind services to help fund the City's ongoing operations. The Corporate Partnership Program offers partners the opportunity to utilize the City's influence and public image to promote their company's products or services.

Primarily due to conflicts with established signage codes, the City has limited the pursuit of municipal marketing opportunities that grant partners the right to display signage or advertisements on public property and right-of-ways. However, other municipalities in California, such as the County of Los Angeles and City of Huntington Beach, have generated significant revenues by negotiating contracts that allow the display of signage on public property. San Diego's Corporate Partnership Program has suggested that the annual revenue generated by the program could be doubled if the City allowed partners to purchase the right to display signage.⁽¹⁾

As another example, the City of Dallas, Texas utilizes an advertising kiosk program in which the City generates revenue by allowing a marketing firm to obtain advertising on kiosks in public rights-of-way. Dallas requires that the kiosks contain public service information in addition to the advertisements.

To capitalize on this potential source of revenue, the City should take the following actions:

1 Comprehensive Catalogue of Existing Partnerships (July).

The City Corporate Partnership Program should present a complete listing of terms and conditions on existing marketing partnerships.

2 Issue Request for Information (July)

The City should issue a Request for Information (RFI) to solicit ideas and suggestions for marketing firms in an attempt to generate innovative ideas to shape a future RFP.

¹ San Diego Citizens Revenue Review and Economic Competitiveness Commission meeting 4/8/2010 and 4/22/2010

3 Public Input Process through Community Planning Groups

The Corporate Partnership Program should conduct outreach by surveying planning boards and community groups for their ideas.

4 Legal and Technical Reviews

Upon completion of recommendations 2 and 3, the Corporate Partnership Program and City Attorney should identify the technical and legal challenges associated with implementing identified partnership opportunities.

5 Authorize a Right-of-Way Partnership Pilot Program

An exclusion provision could be added to the Sign Ordinance to allow the City to implement a pilot program for generating revenue through a partnership program that allows for limited off-site advertising.

6 Authorize an Advertising Kiosk Pilot Program

The City should implement a pilot program that allows advertising kiosks to be constructed in designated zones of the City, with advertising rights sold to an outside marketing firm through an RFP process.

7 Restructure and Rebid Corporate Partnership Contract

Based on responses to the RFI from marketing firms as well as community input, the City may want to rebid its current contract to see if better alternatives exist.

Introduction

Municipal marketing encompasses a variety of arrangements between municipal governments and private entities by which the private entity supplies the means for the municipality to provide a service or program in exchange for the use of public assets, programs, or personnel in promotion of the private entity.

Sponsorship allows a business or organization to support a public program with financing or in-kind products in exchange for being associated with the specific program, often as an “official sponsor” or “proud partner”. Sponsorship provides the organization the ability to market to a targeted group of residents. Common examples of sponsorship include supporting special events, community programs, and educational campaigns.

Naming rights provide a business or organization with the right to place their name or logo on public property in exchange for financial or in-kind support. Most commonly naming rights are granted to donors for facilities such as schools, libraries, and hospitals. However, naming rights can be granted through a business transaction as well. Examples of facilities for which naming rights have been sold to business entities are sports stadiums (Qualcomm Stadium), theatres (Kodak Theatre), and convention centers (Rabobank Convention Center).⁽²⁾

A municipality can negotiate to give a business or organization the right to place advertisements or signage on public property. Advertising rights can be a portion of a larger partnership agreement (such as sponsorship) or can be sold separately. Advertisements can be displayed on physical property such as public vehicles and facilities or on digital property such as a municipality's website.

Exclusive rights are provided through an agreement in which a municipality exclusively uses, sells, or promotes a particular company's product. Examples of exclusive rights contracts are vending and concession agreements.

Sponsorship • Naming Rights • Advertising & Signage • Exclusive Rights



² Qualcomm Stadium located in San Diego, CA; Kodak Theatre located in Los Angeles, CA; Rabobank Convention Center located in Bakersfield, CA.

Current Marketing Partnerships in the City of San Diego

Marketing Partnership Policy

In 1999 the City of San Diego (City) hired an outside consulting group, The Pathfinder Group, to prepare a strategic marketing plan for the City. As a result, on June 8, 1999 the City Council approved the establishment of the Municipal Marketing Partnership Program (now known as the Corporate Partnership Program). The stated purpose of the Corporate Partnership Program is to generate revenue to fund ongoing City operations and development while minimizing the perception that the City has become “corporatized”. This goal is achieved by negotiating a limited number of large partnership contracts while “maximizing the cumulative revenue from partners”.

The City’s Marketing Partnership Policy (see Resolution R-292719 (2000)) establishes the guidelines by which marketing partnerships should be arranged. The policy requires that all potential partnerships be reviewed by the City to ensure that the City is not exposed to undue commercialism and bans agreements with manufacturers or distributors of tobacco, parties that wish to market alcohol to underage residents, or companies whose activities are currently regulated by the police.

The general procedure for procuring corporate partnerships is as follows:

- 1) Identify a potential marketing partnership program area of interest.
(Such as beverage providers, car manufactures, etc.)
- 2) Develop a Request for Sponsorship (RFS) to include a summary of the partnership opportunity, benefits for participation, and a description of the open and competitive procedure for expressing interest in participating in marketing partnership opportunities.
- 3) Advertise the RFS and facilitate an open and competitive bidding process.
- 4) Review potential candidates and select the most appropriate candidate.
- 5) Create a comprehensive marketing partnership program specialized to the needs and goals of the corporate partner and consistent with stated City policies and regulations.
- 6) Submit agreement for approval.

The necessary level of approval for an agreement is based upon the revenue generated:

- Under \$50,000 – Department Head or Director approval
- \$50,000 - \$250,000 – City Manager approval
- Over \$250,000 – City Council approval

Corporate Partnership Program

The City was one of the first municipalities in the country to establish a Corporate Partnership Program (CPP) and has been considered by other major municipalities, such as Cities of Los Angeles and Long Beach³, as a model of a successful marketing partnership program. The CPP is comprised of a single full-time staff member, the Director of Strategic Partnerships, and a retained consultant from The Pathfinder Group. The department negotiates partnerships pursuant to the Council's Marketing Partnership Policy.

Each partnership is unique both in the benefits provided to the City and to the partner because the agreements are tailored to meet the partner's marketing goals and budget. To do so, partnerships employ all acceptable avenues of municipal marketing including sponsorship, naming rights, exclusive rights, and to a limited extent signage and physical advertisement.

The City's current Corporate Partnerships include:

- Pepsi Bottling Group: "Official Provider of Cold Drink Vending Machines"
- Verizon Wireless: "Official Wireless Partner"
- San Diego Metropolitan Credit Union: "Official Credit Union"
- Cardiac Science: "Official Automatic External Defibrillator Partner"
- Qualcomm Stadium

Past Corporate Partnerships include agreements with General Motors, McCune Chrysler-Jeep, Scripps Health, and Sycuan.

ATM/Kiosk Partnership in Balboa Park

In 2007, the City Council approved a partnership agreement with Friends of Balboa Park (Friends) for operating kiosks in Balboa park that include ATM machines for use by Park visitors (See R-2007-235)⁴. The cost associated with construction, installation and maintenance of the kiosks was undertaken by the Friends, who in turn sub-contracted the long-term management of the kiosks to an outside firm.

According to the agreement, the revenue generated (primarily through sponsorship revenue and ATM Fees) is split equally between the City and the sub-contractor. Unfortunately, the Gross Income reported in the Cumulative 2009 and 2010 statements reveals that only a minimal amount of revenue has been generated for the City through this effort (\$567 for Calendar Year 2009).



³Los Angeles Municipal Code Chapter 1, Sections 14.4.1, 14.4.2, 14.4.4, 14.4.6; Chicago Zoning Ordinance Sections 17-12-0100 through 17-12-1100; City-

⁴See Item 106 from March 20, 2007 San Diego City Council meeting.

Off-Site Advertising

Off-site advertising is signage that is not related to particular products or services offered at the location where the signage is displayed. On March 14, 1972 the City Council enacted an ordinance titled “Prohibition and Abatement of Outdoor Advertising Display Signs”, which banned most outdoor, off-site advertising in the City. The primary stated purpose of the ordinance was to eliminate excessive signage that could be potentially hazardous to pedestrians and drivers as well as detrimental to the natural beauty and environment of the City.

The 1972 Sign Ordinance prompted litigation from a collection of private outdoor advertising companies in the City arguing, among other things, that the ordinance violated the advertisers’ First Amendment rights. After a series of appeals, the case *Metromedia Inc. v City of San Diego* reached the U.S. Supreme Court. The Supreme Court ruled that the ordinance as a whole was unconstitutional under the First Amendment; however held that the portion of the ordinance pertaining to the restriction of commercial advertisement was validated by the City’s stated goals of traffic safety and improving aesthetics.

On January 17, 1984 the City redrafted the ordinance to accommodate the Supreme Court’s ruling. The 1984 Sign Ordinance continued the ban of outdoor, off-site commercial advertising, but exempted non-commercial, public information messages. The rationale for the redrafted ordinance similarly drew upon the need to protect the safety of commuters and the aesthetics of the City.

Since the passage of the 1984 Sign Ordinance the City has considered various opportunities to earn revenue by allowing various parties to install advertising on public property. These opportunities have included advertisements on bicycle racks (1978), parking meters (1983), waste receptacles (1983), tennis court fences (1992), lifeguard towers (1995), and stand-alone advertising kiosks (1999, 2001). The City Attorney’s Office has consistently held that any special exceptions to the City’s Sign Ordinance would make its validity more difficult to defend in court. For this reason, the City Council has decided to refuse previous proposals for outdoor advertisement as violation of the Sign Ordinance.

One exception was made in 1988 for the Transient Shelter Program, which allowed for installation of signage on bus shelters and benches in exchange for free installation of lighted bus shelters throughout the City.

Restriction of outdoor, off-site advertising is commonplace in many other major municipalities including City of Los Angeles, City-County of San Francisco, and City of Chicago⁽⁵⁾.

⁵ Los Angeles Municipal Code Chapter 1, Sections 14.4.1, 14.4.2, 14.4.4, 14.4.6; Chicago Zoning Ordinance Sections 17-12-0100 through 17-12-1100; City-County of San Francisco Resolution No. 101-2000.

Marketing Partnerships in Other Municipalities

	San Diego	Huntington Beach	Long Beach
<i>Generates significant revenue used to fund city services</i>	✓	✓	✗
<i>Provides exclusivity rights for partners</i>	✓	✓	✓
<i>Provides sponsorship opportunities for partners</i>	✓	✓	✓
<i>Provides signage and advertising rights for partners</i>	✗	✓	✓
<i>Solicits potential partners through an RFP process</i>	✓	✓	✗
<i>Full support of Council objectives and policies</i>	✓	✓	✗
<i>Contracts with an outside marketing firm</i>	✓	✗	✓

Many municipalities have explored the concept of developing municipal marketing partnerships as an alternative revenue source for providing essential government services. Most commonly, municipalities offer partnerships that include elements of sponsorship and exclusive rights, such as exclusive beverage and snack rights agreements. However, because of a variety of factors, most importantly the potential legal ramifications, few municipalities have offered corporations the right to place physical advertisement on public property. Despite these challenges, two municipalities in California, County of Los Angeles and City of Huntington Beach, have established successful marketing partnership programs that do provide corporations the opportunity to advertise through signage on public property.

County of Los Angeles Department of Beaches and Harbors

The County of Los Angeles Department of Beaches and Harbors (Department) has one of the longest standing marketing partnership programs in the country. The program began in 1986 with the placement of Coppertone Sunscreen advertisements on trash receptacles. Since then the Department has negotiated many successful marketing partnerships which have utilized the principles of sponsorship, exclusive rights, and signage.

Marketing partnerships are handled through the Department's Community and Marketing Services Division. The Department does not solicit partners for specific programs or through an RFP process; rather, partnerships are created through a less formal and open process. As a starting point for negotiations the Department provides a non-exhaustive initial valuation of potential avenues of advertisement including benches, free standing safety signs, light pole banners, WaterBus Boarding Passes, special event sponsorship, tideboards, time/temperate boards, vending machines, and volleyball nets.

Including the option for partners to purchase the right to post signage on public property has allowed the Department to negotiate many lucrative contracts. Recently negotiated successful sponsorship agreements for cash and in-kind services include:

Great Spring Waters “Official Bottled Water Sponsor”⁽⁶⁾ Total Value: \$6,881,700

Ford “Official Lifeguard Vehicle Sponsor”⁽⁷⁾ Total Value: \$1,546,400

IZOD “Official Swimwear Sponsor”⁽⁸⁾ Total Value: \$2,648,450

Verizon “Official Lifeguard Safety Sign Sponsor”⁽⁹⁾ Total Value: \$4,228,000

City of Huntington Beach

The City of Huntington Beach, California was also one of the first municipalities in the country to establish a marketing partnership program. The first agreement negotiated by the City of Huntington Beach was with Chevrolet Motor Division of General Motor Corporation in 1991. The initial deal provided the City's lifeguards with 12 vehicles at no charge in exchange for sponsorship and exclusivity rights.

Marketing partnerships, labeled by City of Huntington Beach as public/private partnerships, are processed through the Department of Community Services. Similar to the City of San Diego, the City of Huntington Beach pursues potential marketing partnerships by first establishing a program area of interest and then soliciting competitive bids in that specific area through an RFP process.

The City of Huntington Beach has developed many successful agreements since 1991, all of which include elements of sponsorship, exclusive rights, and signage. Recently negotiated successful sponsorship agreements for cash and in-kind services include:

Coca-Cola “Official Drink”⁽¹⁰⁾ Total Value: \$3,300,000

Adopt-A-Highway Maintenance Corporation⁽¹¹⁾ Total Value: \$551,450

Toyota Motor Sales USA “Official Lifeguard Vehicle”⁽¹²⁾ Total Value: \$500,000

Simple Green⁽¹³⁾ Total Value: \$300,000

Despite a variety of marketing partnership agreements that include opportunities for display of commercial signage on public property, the City of Huntington Beach maintains a Sign Ordinance with similar restrictions on outdoor, off-site advertising to the City of San Diego.⁽¹⁴⁾

⁶ Los Angeles County Agreement No. 73959, Approved 4/16/2002

⁷ Los Angeles County Agreement No. 76551, Approved 5/13/2008

⁸ Los Angeles County Agreement No. 72852, Extension Approved 6/14/2007

⁹ Los Angeles County Agreement No. 74445, Approved 5/13/2003

¹⁰ City of Huntington Beach Council Meeting Minutes 2/16/1999

¹¹ City of Huntington Beach Council Meeting Minutes 5/19/2008

¹² City of Huntington Beach Council Meeting Minutes 5/19/2008

¹³ City of Huntington Beach Council Meeting Minutes 8/7/2000

City of Dallas, Texas

Other cities have gone beyond conventional marketing partnerships which typically only allow for advertisement on existing city assets. A common extension of marketing partnerships includes the creation of advertising kiosks. Advertising kiosks are structures constructed in public right-of-ways for the sole purpose of displaying advertisements and public service messages. Cities contract with advertising firms to sell the rights to construct, maintain, and display advertisement on kiosks. These deals are often very lucrative for the city; for example the City of Dallas, Texas was able to secure \$8.5 million⁽¹⁵⁾ in cash and in-kind services in exchange for the rights to 300 advertising kiosks throughout the city.⁽¹⁶⁾

Advertising kiosk programs typically require less stringent signage provisions than those found in the City of San Diego's Sign Ordinance. For example, while the City of Dallas does have signage codes that generally ban off-site, outdoor advertising⁽¹⁷⁾, they also make provisions for special sign districts in which off-site, outdoor advertising (such as privately owned and operating advertising kiosks) may be constructed⁽¹⁸⁾. The City of Dallas also had to include an explicit exclusion clause in their signage codes to allow for the creation of advertising kiosks.

Several major cities, including Los Angeles, San Francisco, Chicago, and Boston, have instituted similar programs. The San Diego CPP has pursued the idea of advertising kiosks on multiple occasions, but was forced to abandon the idea due to conflicts with the City's Sign Ordinance.



Challenges Faced by Other Municipalities

While Los Angeles County and the City of Huntington Beach have developed successful marketing partnership programs, several other municipalities in California have struggled to establish marketing partnerships due to various organizational, political, and economic factors.

In February of 2007 Active Public Enterprise Group (APEG) prepared a Corporate Sponsorship and Marketing Plan for the County of Santa Clara. The plan presented a process by which the County could

¹⁵ Revenue is over a 20 year period

¹⁶ City of Dallas, City Council Meeting 8/3/2005, Kiosk Advertising Program Presentation

¹⁷ City of Dallas, Municipal Code Article 7, Division 51A-7.100

¹⁸ City of Dallas, Municipal Code Article 7, Division 51A-7.500

establish a marketing partnership program similar to the City of San Diego's Corporate Partnership Program and outlined the County's primary marketing opportunities. In 2007 APEG, on behalf of the County, opened negotiations with three potential partners (Bank of America, Canteen Vending Services, and Ricoh). However, by mid 2008 the negotiations were suspended due to economic conditions and reduced marketing budgets among the potential partners. To date, the County has yet to negotiate any successful corporate partnership agreements.⁽¹⁹⁾

Pursuant to their agreement with the County, APEG's compensation is equal to a percentage of all successfully negotiated partnership agreements.⁽²⁰⁾ This arrangement limited the County's use of staff time and resources in unsuccessful negotiations.

Pursuant to their agreement with the County, APEG's compensation is equal to a percentage of all successfully negotiated partnership agreements. This arrangement limited the County's use of staff time and resources in unsuccessful negotiations.

In June of 2006 the City of Long Beach contracted with marketing firm Premier Partnerships to develop and implement a Corporate Sponsorship and Advertising program. Premier Partnerships and City of Long Beach staff developed a program which allowed partners to purchase a comprehensive marketing package to include advertisement on public facilities and the City's website, recognition as an official sponsor, and name recognition at various City sponsored special events.

In 2007, Premier Partnerships negotiated draft agreements with two potential partners, Office Depot and Charter Communications, with a total value of \$1.48 million over 5 years.⁽²¹⁾ The draft agreements were presented to the City Council on October, 21, 2008 for approval. Several council members expressed concern with various elements of the agreements, primarily excessive use of signage on public facilities. Ultimately the Council voted to conditionally support the agreements provided several elements were restructured.⁽²²⁾ Subsequent negotiations pursuant to the Council's request were unable to secure agreements with either Office Depot or Charter Communications.

Pursuant to its initial contract in 2006 (and subsequent amendments), Premier Partnership has been collecting an annual fee of \$120,000 from the City of Long Beach regardless of revenue generated for the City of Long Beach.⁽²³⁾ The City of Long Beach has yet to realize a positive return on this investment.

¹⁹ Santa Clara County Corporate Sponsorship and Marketing Program Annual Report 2009

²⁰ County of Santa Clara Agreement with Active Public Enterprise Group, November 15, 2005

²¹ City of Long Beach 10/21/2008 Meeting Agenda

²² Ibid

²³ Ibid

Recommendations

Recommendation 1: Comprehensive Catalogue of Existing Partnerships (July)

In order to begin discussion of expanding city marketing partnerships, the City Corporate Partnership Program should present a complete listing of terms and conditions – and revenues received to date – on existing marketing partnerships. The termination terms and dates under each agreement should also be provided.

In addition, any marketing partnerships considered since 1999, but not implemented due to legal or technical challenges, should be presented to the Budget Committee.

Recommendation 2: Issue Request for Information (July)

The Budget Committee should discuss directing the Purchasing and Contracting office to issue of a Request for Information (RFI) that would solicit ideas and suggestions from marketing firms.

Unlike a Request for Proposals (RFP), an RFI can generate innovative ideas that might help shape public policy in the city – and lead to a more effective RFP at a later date. In addition to requesting information on each firms' capabilities, past experiences and track records, the RFI should ask interested marketing firms to specifically examine the city's current marketing partnership program and respond with:

- Specific suggestions and examples of marketing opportunities not currently realized by the City of San Diego
- Suggestions for changes in city policies and municipal codes to maximize success of marketing programs
- Examples of successful marketing programs and contracts from other jurisdictions
- Anticipated revenues from suggestions proposed by the firm during the RFI process

Recommendation 3: Public Input Process through Community Planning Groups (August-September)

Our local planning boards and community groups can be another source of creative ideas on ways to implement marketing partnerships in their community. Moreover, receiving the input of these local groups must be part of the approval process for any city policy changes on marketing partnerships.

The Budget Committee should instruct the Corporate Partnership Program staff to conduct outreach to community groups for their ideas during the months of August and September.

In addition, the results of the RFI process and the planning board survey should be provided to the Citizens' Revenue and Economic Competitiveness Commission for review and comment.

Recommendation 4: Legal and Technical Reviews (October)

It is likely that some of the ideas will require changes to Council Policy or city Municipal Codes prior to implementation. As such, the Budget Committee should examine the ideas generated during the RFI and public survey process and select specific policy proposals for review by the Corporate Partnership Program and the City Attorney's Office for technical and legal challenges that may be associated with implementation.

Recommendation 5: Authorize a Right-of-Way Partnership Pilot Program

Municipal Code sections §142.1210(a)(1) and §142.1210(b)(5) currently limit permissible off-site signage and signage located on public right-of-ways. An exclusion provision could be added to both of these sections to permit the City to implement a limited number of comprehensively planned and tasteful pilot advertising programs, with the understanding that the rights of these programs would be sold to private parties for the purpose of generating revenue to the City.

Specific locations for these pilot programs will be determined through the public outreach and input process outlined in Recommendation 3.

Should the City decide to relax enforcement of the Sign Ordinance, the examples of Los Angeles County and City of Huntington Beach demonstrate definite interest in advertisement placed directly on public property or personnel. Providing the available option of signage or physical advertisement in future Corporate Partnership agreements could significantly increase the amount of revenue generated for the City of San Diego.

Evidence suggests that the City of San Diego can relax enforcement of the Sign Ordinance without sacrificing its validity. As discussed previously, the City of Huntington Beach has a Sign Ordinance with similar restrictions to the City of San Diego. However, according to the City Attorney's office of the City of Huntington Beach, the City has not faced litigation as a result of marketing partnership efforts.

In 2009, Metro Lights LLC sued the City of Los Angeles for violating its First Amendment rights by restricting its ability to display off-site advertising while simultaneously contracting with CBS-Decaux LLC to provide public transit facilities in exchange for the right to advertise on those facilities. The Los Angeles County District Court ruled in favor of Metro Lights LLC stating that the City could not simultaneously maintain a restrictive Sign Ordinance and contract with CBS-Decaux. However, the United States Ninth Circuit Court of Appeals subsequently ruled in favor of the City of Los Angeles stating that allowing the City to regulate a planned and concentrated supply of off-site advertising could reasonably contribute to the City's interest of maintaining aesthetic quality.

Amending the Municipal Code as suggested can help mitigate the types of legal concerns raised above, while a pilot program will provide an opportunity to evaluate the costs and benefits of pursuing these types of partnerships.

Recommendation 6: Authorize an Advertising Kiosk Pilot Program

The City has an initial kiosk program underway through a partnership with the Friends of Balboa Park, but the program is limited in nature and currently does not generate sufficient financial benefit to the City. The City could follow the example of Dallas, Texas, which generates revenue by allowing advertising kiosks to be constructed in designated zones of the City, with advertising rights sold to an outside marketing firm through an RFP process.

Such a program would require additional reform to the City's Sign Ordinance, likely including a provision allowing for some privately owned and operated off-site advertising within the City. One zone could be designated for a pilot program, with a term not to exceed 2-3 years.

Specific locations for this pilot program will be determined through the public outreach and input process outlined in Recommendation 3.

Recommendation 7: Restructure and Rebid Corporate Partnership Contract

Council Policy 000-40 currently outlines the operations of the Corporate Partnership Program. The Pathfinder Group has been the city's contractor since the inception of the program in 1999, with a current agreement effective through February of 2012. Changes to the program could be made, including examining the benefits of a full re-competition of the contract support for the program.

In addition, the current contract used by the Corporate Partnership Program includes a fixed price retainer. Future contract terms should include compensation based on a percentage of revenues generated above a baseline amount.

Finally, based on responses to the RFI from marketing firms and the extensive community input process outlined above, the City may want to rebid the contract currently provided by the Pathfinder Group to see if better alternatives exist.

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